IX. BUSINESS PROCESS

Issues I-8 and IV-97[118] (Electronic Monitoring Of CPNI)

The interconnection agreement should not give Verizon a sweeping right to electronically monitor WorldCom's access to and use of consumer proprietary network information ("CPNI"). As explained below, electronic monitoring is intrusive, and gives Verizon access to sensitive information regarding WorldCom's marketing efforts. There is a serious risk that Verizon will misuse this information, and there are other means of ensuring that CPNI is used properly that do not carry such risks. Verizon's proposed language should therefore be excluded from the interconnection agreement.

WorldCom accesses and uses one type of CPNI: the customer service record ("CSR"), which includes the customer's name, address, telephone number, and the features and functions of the customer's current subscription. See WorldCom Exh 2, Direct Test. of S. Lichtenberg at 3. WorldCom would only access the CPNI of Verizon's customers if, during inbound or outbound telemarketing calls, the customer expressed an interest in subscribing to WorldCom's services. See id. Consistent with this Commission's rules, WorldCom only accesses the CPNI of these potential subscribers after obtaining the customer's consent and third-party verification of that consent. See id.

Although Verizon claims that its proposal implements section 222 of the Act, there is nothing in the Act that even remotely suggests that Verizon should electronically monitor CLECs' access to CPNI. WorldCom has a legal duty to adhere to the laws

[118] Although Issue IV-97 was initially raised to address the agreement's confidentiality provisions, the only remaining dispute is identical to that raised under Issue I-8 – whether Verizon should be given the right to electronically monitor WorldCom's access to CPNI.

governing CPNI usage, and the appropriate body to police WorldCom's compliance with these laws is a state agency or the relevant commission. As explained in WorldCom's testimony: "Monitoring is the job of consumer protection agencies, the FCC, or other neutral and qualified entities. Verizon and WorldCom are fierce competitors, and a competitor is not the proper party to monitor a company's operations." WorldCom Exh. 2, Direct Test. of S. Lichtenberg at 6.

Despite Verizon's assertions that it would only monitor CLECs' CPNI usage if they engaged in suspicious behavior, and that it would not use the information gathered during its monitoring of CPNI in the anticompetitive manner described above, see Verizon Exh. 6, Rebuttal Test. Business Process at 5, Verizon's contract language imposes no such limitations on Verizon's conduct. See Tr. 10/18/01 at 2560 (Langstine, Verizon). Instead, it gives Verizon a broad right to monitor CLECs' CPNI usage. Because WorldCom's access to and use of CPNI is limited to inbound and outbound telemarketing calls, giving Verizon such a broad monitoring right would give Verizon sensitive information regarding WorldCom's marketing and subscription efforts, and therefore creates a serious risk of abuse. See WorldCom Exh. 2, Direct Test. of S. Lichtenberg at 4. For example, Verizon could determine which of its customers have expressed an interest in subscribing to WorldCom's services, and could target those customers for marketing efforts. See id. By tracking the trends in the volume of WorldCom's CPNI requests, Verizon could identify the times at which WorldCom is conducting substantial marketing campaigns, and then attempt to counter those campaigns with its own efforts to win customers. Both of these actions would be improper, and could give Verizon an unfair competitive advantage. See id.

Verizon's proposal is not only risky, it is unnecessary. The primary "abusive" activity that Verizon claims its electronic monitoring is designed to detect is the use of a "robot" to pull tens of thousands of customer records through the web GUI. See Verizon Exh. 20, Rebuttal Test. Business Process at 3-4. However, Verizon has admitted that there are only two companies that it suspects of using web GUIs – neither of which is WorldCom. See 10/18/01 Tr. at 2575-77. The actions of two unnamed companies should not be used to subject WorldCom to such an intrusive activity as Verizon's proposed monitoring. Moreover, WorldCom's internal procedures protect against employee access to CPNI without customer consent, by requiring agents to indicate in the system that consent has been obtained and verified. See WorldCom Exh. 2, Direct Test. of S. Lichtenberg at 5. Finally, Verizon could conduct audits to review WorldCom's access to customer's CPNI and determine whether those customers' consent was obtained. See id.

In sum, the Commission should reject Verizon's proposal that it be allowed to electronically monitor WorldCom's access to CPNI because it would provide Verizon with access to sensitive information regarding WorldCom's marketing efforts, and because Verizon could use the agreement's auditing procedures to allay its concerns that WorldCom is improperly using CPNI.

Issue IV-56 (NCTDE Participation)

The interconnection agreement should contain a provision requiring Verizon to participate in the National Consumers Telecommunications Data Exchange ("NCTDE"), which is a nationwide database that contains information regarding customers' non-payment of telephone bills. Verizon's participation in the NCTDE database would provide WorldCom with information that Verizon already possesses regarding customers' non-payment of bills, and would thereby facilitate WorldCom's ability to assess the creditworthiness of new customers. See WorldCom Exh. 7, Direct Test. of S. Lichtenberg at 4. As set forth below, WorldCom's proposal is reasonable, and should be adopted by the Commission; however, if the Commission declines to order participation in the NCTDE, the Commission should require Verizon to provide WorldCom with the payment history section of the customer service record.

As explained by WorldCom's witnesses, the NCTDE is a multi-state database shared by multiple telecommunications companies that allows both ILECs and CLECs to share information regarding unpaid customer accounts ("UCA") quickly and easily. See WorldCom Exh. 7, Direct Test. of S. Lichtenberg at 4; WorldCom Exh. 28, Rebuttal Test. of S. Lichtenberg and M. Daniels at 4. Specifically, the NCTDE contains information regarding customers whose service was terminated with unpaid balances owed to Verizon. See WorldCom Exh. 28, Rebuttal Test. of S. Lichtenberg and M. Daniels at 4. Verizon's witnesses have not disputed that the NCTDE contains this type of information. See id.

WorldCom needs access to this UCA information to assess the creditworthiness of its new subscribers and customers. See WorldCom Exh. 7, Direct Test. of S.

Lichtenberg at 5. The more general credit history that is contained in credit reports does not meet WorldCom's needs because "customers' payment of telephone bills does not generally correlate with their payment history of other bills that are traditionally recorded in a credit report." Id.; see also Tr. 10/12/01 at 1950-51 (Lichtenberg, WorldCom) (noting that general credit history does not address payment history for telephone service or indicate that a customer's telephone service was canceled for nonpayment). Indeed, Verizon's witnesses have admitted that the UCA information "facilitate[s] the early identification of risk accounts from new consumer service applicants whose prior service was terminated with an unpaid balance." Verizon Exh. 10, Direct Test. Business Process at 3. Carriers may use this UCA information for risk management, and may employ several means to protect themselves from the credit risks that subscribers with such unpaid balances create – e.g., requiring a deposit, blocking long distance, or establishing alternate payment mechanisms. See WorldCom Exh. 28, Rebuttal Test. of S. Lichtenberg and M. Daniels at 5.

Verizon's status as the incumbent carrier gives it access to this UCA information for the vast majority of subscribers in Virginia. See id. at 5. That is, because Verizon has historically been the only local service provider in Virginia, when an existing customer desires new service, Verizon can access that customer's credit classification information to assess the credit risks it may incur by granting that customer's request. See id. Indeed, Verizon has admitted that it maintains a database containing similar information "about its own unpaid accounts," Verizon Exh. 10, Direct Test. Business Process at 4, and that "[w]hen an existing customer orders an additional line, the customer's existing service is reviewed and the additional line is assigned the same credit classification as the existing

line." WorldCom Exh 52. As WorldCom's witnesses succinctly stated, "Verizon's objection to participating in a database in which a more limited subcategory of such credit information – namely the identification of customers whose accounts were terminated with unpaid balances – would be shared with new entrants and other carriers is nothing more than an attempt to retain a competitive advantage that results from its longstanding monopolization of the local telephone markets." WorldCom Exh. 31, Rebuttal Test. of S. Lichtenberg and M. Daniels at 5. The elimination of that advantage would further the Act's pro-competitive goals.

Verizon has raised two primary objections to WorldCom's proposal, arguing that (1) participation in the NCTDE is too costly and does not benefit Verizon, and (2) WorldCom's proposed language exceeds the requirements of NCTDE. In addition, Verizon has indicated that it fears that providing the information that WorldCom has requested would subject it to the requirements of the Fair Credit Reporting Act. For the reasons discussed below, these arguments do not provide a persuasive reason to exclude WorldCom's proposed language.

Although Verizon's status as the incumbent means that Verizon's NCTDE participation at present would largely benefit new entrants, as new entrants gain market share, Verizon will benefit from its ability to gain information from other carriers. See WorldCom Exh. 31, Rebuttal Test. of M. Daniels and S. Lichtenberg at 6. Moreover, Verizon's participation in the NCTDE may benefit Verizon by providing end-users with an incentive to pay the unpaid balances on their accounts. See id. As WorldCom's witnesses explained, "if a customer learns that other carriers will require a deposit prior to establishing service because the customer carries an unpaid balance on a terminated

account, the customer may decide to simply pay the delinquent balance to avoid such impediments on her ability to subscribe to new service." Id. Moreover, although Verizon suggests otherwise, it would not incur unreasonably high costs by participating in the NCTDE. Verizon would not be required to pay the initial membership fee because Verizon Long Distance has already joined the NCTDE in some states. See Tr. 10/12/01 at 1948 (Schneider, Verizon). Accordingly, Verizon would only be required to pay the fees associated with loading customer non-payment data. See WorldCom Exh. 31, Rebuttal Test. of S. Lichtenberg and M. Daniels at 6.

In addition, Verizon's assertion that WorldCom's proposed contract language goes beyond the requirements of NCTDE rests largely on its misinterpretation of the WorldCom witness's Direct Testimony. See id. WorldCom's proposed contract language is "largely consistent" with the NCTDE requirements, and only requests information that is not affirmatively required by NCTDE rules when "the submission of that information would assist NCTDE participants in assessing credit risks" or "enhance the information that NCTDE participants may access." Id. at 7.

Finally, there is no reason for Verizon to fear that WorldCom's language would subject it to the Fair Credit Reporting Act ("FCRA"). That statute contains an express exemption for the type of information that WorldCom requests from Verizon. Specifically, the FCRA excludes "any report containing information solely as to transactions or experiences between the consumer and the person making the report" from the definition of "consumer reports" that are covered by the Act. 15 U.S.C. § 1618a(d)(2)(A)(i).

In sum, the Commission should order the inclusion of WorldCom's proposed language, which would allow WorldCom and other CLECs to share in the UCA information that Verizon already possesses. However, although WorldCom would prefer to use the NCTDE as a means of gathering the UCA information, if the Commission determines that Verizon need not participate in NCTDE, it should require Verizon to give WorldCom access to the payment history portion of its CSRs as part of the pre-order process. See WorldCom Exh. 16, Direct Test. of S. Lichtenberg at 7. Although this process would be less efficient than NCTDE participation, it would provide WorldCom with the information that it needs. See 10/12/01 Tr. at 1953-54 (Lichtenberg, WorldCom).

Issue IV-74 (Billing)

Although Verizon initially objected to the inclusion of billing provisions in the interconnection agreement, WorldCom and Verizon now agree that the agreement should contain requirements for interim and standard billing, and collocation billing arrangements between the parties. The parties have substantially narrowed the scope of their dispute, and have agreed to the majority of the billing language. However, three issue remains in dispute: whether the language in the interconnection agreement should qualify Verizon's obligation to provide electronic bills as "part of an operations trial," or should instead provide that Verizon will provide those bills and will "make the BOS-BDT formatted bill the bill of record once the final product is available;" whether the providing party will transmit invoices within ten calendar days after the bill date or ten business days after the bill date; and whether the due date is defined by reference to the bill date or to the date the bill is loaded or received by the parties. As explained below, these two remaining issues should be resolved in WorldCom's favor, and the Commission should accept WorldCom's proposed language.

As explained in WorldCom's testimony, it is critical that WorldCom receive electronic bills and that such bills serve as the bill of record. See WorldCom Exh. 7, Direct Test. of S. Lichtenberg at 13-15. Therefore, the billing provisions must clearly articulate the parties' rights and responsibilities. Accordingly, WorldCom's proposed language makes plain that Verizon will make commercially reasonable efforts to provide accurate and auditable electronic bills, and will make the BOS-BDT formatted bill the bill of record once such a bill becomes available. In contrast, Verizon's references to an "operations trial" (and the results of such a trial) create ambiguity regarding Verizon's

obligation to perform such efforts, and suggest that this duty might be conditional. Given the importance of the billing language, this type of ambiguity is unacceptable, and the Commission should reject Verizon's proposed language.

WorldCom's proposal that invoices be transmitted within ten calendar days of the bill date, and that the due date be defined by reference to the date on which the bill is loaded or received, should also be included in the interconnection agreement. A ten calendar day period is shorter than a ten business day period, and therefore ensures that the purchasing party will receive bills in a timely fashion. Defining the bill due date in relation to the date on which the bill is received or loaded, and not in relation to the invoice date, ensures that the purchasing party will have a full thirty day period in which to process and pay the bills, instead of having only twenty days to complete this task. As explained in WorldCom's testimony, "[g]iven the increasing number of UNE-P customers that WorldCom serves, and the exponential growth in billed data that accompanies the addition of a single customer, a twenty day period simply does not provide sufficient time to process and audit the charges." WorldCom Exh. 34, Rebuttal Test. of S. Lichtenberg at 5. In sum, the Commission should order the inclusion of WorldCom's proposed billing provisions.

Issues IV-7 and IV-79 (911)

The only issue that remains in dispute regarding 911 is whether Verizon should provide WorldCom with the 10-digit alternate/overflow number used by Public Service Access Points ("PSAPs") for handling 911 calls during system outages. See WorldCom Exh. 35, Rebuttal Test. of A. Sigua at 8; see also Tr. 10/18/01 at 2653-54 (Sigua, WorldCom). WorldCom's need for these numbers is a simple matter of public safety. Verizon has failed to identify any reasonable grounds for withholding such critical information from WorldCom, and the Commission should therefore order the inclusion of WorldCom's proposed contract language on this issue.

The PSAP is the center at which a 911 call terminates. See WorldCom Exh. 20, Direct Test. of A. Sigua at 4. Counties or municipalities may have one or more PSAP 911 Centers, and Verizon has asserted that there are twenty such centers in Virginia. See id.; Tr. 10/18/01 at 2662-63. The municipality determines which PSAP is designated as the default PSAP in the event of trunk failure. See WorldCom Exh. 20, Direct Test. of A. Sigua at 4. The number that WorldCom has requested is the "ten digit 'back door' alternate number used for default routing to handle emergency calls in the event of problems with the 911 network ... [that is,] the ten digit number to which 911 calls should be routed in the event that a 911 trunk is down." Id.

Without the PSAP "back door" numbers, WorldCom will not know how to route 911 calls in the event that a 911 trunk fails. See WorldCom Exh. 20, Direct Test. of A. Sigua at 4. That lack of information can cause serious public safety concerns. For example, on August 6, 2001 WorldCom discovered that the Sprint 911 trunks were out of service in Osceola County Florida. See id. at 5-6. Because the ten-digit backdoor

numbers were not listed, WorldCom's operator could not immediately reroute 911 calls. See id. WorldCom was required to place calls to PSAP coordinators to attempt to locate the proper number; although ultimately successful, that process took twenty minutes. See id. Accordingly, during that twenty-minute period, no 911 calls within that area could be routed. See id. Although there were no calls placed during that time period, the potential harm to public safety was significant. See id.

To avert the 911 outages that occur when WorldCom must place multiple calls to PSAPs in an attempt to obtain the backdoor number, the incumbent carrier (Verizon in this instance) should simply provide WorldCom with the number. Because the numbers are in Verizon's system, that is the simplest and most efficient means for WorldCom to obtain them. See WorldCom Exh. 20, Direct Test. of A. Sigua at 4. Some PSAP employees do not even know the correct backdoor number for their center, and obtaining the information on a PSAP by PSAP basis carries a risk of human error, such as transposed numbers. See id. In addition, Verizon has a unique relationship with the PSAPs due to its day to day operation of the 911 system. See WorldCom Exh. 35, Rebuttal Test. of A. Sigua at 9. In sum, Verizon is in the best position to provide this information to WorldCom.

If Verizon employs a "tops switch" or "tops passthrough" to route calls to the PSAP in the event that the 911 trunks have failed, Verizon should provide WorldCom with access to that passthrough mechanism. See Tr. 10/18/01 at 2654 (Sigua, WorldCom), 2656 (Green, Verizon). Verizon's witnesses conceded that providing WorldCom with such access would be technically feasible. See id. at 2658-2659.

In light of the serious public safety concerns that arise when 911 calls cannot be routed, there is simply no reasonable grounds to allow Verizon to withhold access to this system.

In sum, public safety concerns require WorldCom to have access to means of routing 911 traffic in the event of trunk failures, and the Commission should therefore order the inclusion of WorldCom's proposed 911 provisions.

X. MISCELLANEOUS

Issue VI-1(AA) (Information Services Traffic)

The Commission should reject Verizon's proposed language regarding this issue, which address what Verizon calls "information services" traffic. Although Verizon's definition of information services easily could be interpreted to mean more, Verizon seems to limit its definition to 976-XXXX and similar traffic. Verizon initially proposed that WorldCom be responsible for end-user charges associated with such calls that WorldCom's customers originate, but proposed new language in the JDPL for this issue, in which the responsibility for call charges is indeterminate.[119] As explained below, both of Verizon's proposals are objectionable for several reasons, and there is no reason to include such language in the interconnection agreement because information services are not allowed in Virginia.

The primary reason that WorldCom objects to Verizon's proposals is that information services are not allowed in Virginia, and there is therefore no need to address that traffic in the Virginia interconnection agreement between the parties. Verizon acknowledges as much, Tr. 10/12/01 at 1983-1984 (P. Richardson, Verizon), and has admitted that it does not need language to address this issue in the event the law changes in Virginia to allow information services traffic, because Verizon could rely on the change of law provision of this agreement. Tr. 10/12/01 at 1985 (C. Antoniou, Verizon). Nonetheless, Verizon states that it is concerned about CLECs porting this agreement to other states under the merger conditions imposed on Verizon as a result of its acquisition of GTE. That concern has no application here because, as Verizon admits, a section of

[119] WorldCom objected at the hearing to Verizon's introduction of new language after direct testimony had been filed.

this agreement not agreed to by the parties is not portable to another state under the merger conditions, and the Verizon proposal would therefore not be portable. Id. at 1986. Thus, this issue is moot, and Verizon is wasting the Commission's resources by asking it to order inclusion of language that addresses non-existent traffic.

Verizon's proposed language is unnecessary because there is nothing unique about "information services traffic" that prevents it from being classified as either a local or toll call. In both of its proposals, Verizon defines this classification of traffic it calls "information services," but fails to explain why it is necessary to create this classification of traffic. Given Verizon's definition of information services, all information services calls exchanged between the parties can be classified as either local or toll,[120] and therefore either reciprocal compensation charges or access charges apply.

Finally, Verizon's assertion that it frequently has a high rate of uncollectibility from the end users that incur charges for information services traffic does not justify including Verizon's proposed language. If Verizon offers information services to WorldCom end users, and those services are accessed via a 976 call, the collection for the charges associated with the call is a matter between Verizon and WorldCom's end user. As explained in WorldCom's testimony: "There is a relationship between the end-user and the information service provider, and there may be a relationship between Verizon and the information service provider. [But] WorldCom has not promised payment to anyone, and in light of those contractual relationships it would make no sense for Verizon to ask WorldCom to guarantee that the end-user will pay the third-party provider, or to

[120] This proposed classification of traffic should not be confused with information access traffic, which are data calls to an ISP. The information services traffic referred to by Verizon are solely voice calls.

pay Verizon the amount owed by its customer." WorldCom Exh. 8, Direct Test. of M. Argenbright at 46.

XI. RIGHTS OF WAY

Issue III-13 (Rights Of Way Terms)

The terms and conditions associated with poles, ducts, conduits and rights-of-way ("rights-of-way terms") should be included in the interconnection agreement, and not in a separate agreement.[121] Verizon proposes that these terms should be placed in a separate "licensing agreement," and that at most the interconnection agreement should note that the terms are set forth in that separate agreement. See Verizon Exh. 14, Direct Testimony on Mediation Issues (Rights of Way) at 5. As explained below, Verizon's proposal is inconsistent with the Act and impractical, and should be rejected by the Commission.

At the outset, the Act mandates inclusion of the rights-of-way terms and conditions in the Interconnection Agreement. The Act does not contemplate that an interconnection agreement will be composed of an assortment of stand-alone agreements. To the contrary, the Act requires that all interconnection terms be localized in one place – the interconnection agreement. Specifically, section 251(c)(1) imposes upon ILECs the "duty to negotiate in good faith in accordance with section 252 the particular terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (5) of subsection (b) and this subsection."[122] Subsection 251(b)(4) – under Interconnection –

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[121] With the exception of the make-ready issues set out below under Issue III-13(h), WorldCom and Verizon are in agreement on the majority of the subsantive rights of way issues. Thus, most of the rights-of-way terms are undisputed and the controversy centers primarily on where the terms are to be included. See WorldCom Exh. 11, Direct Test. of L. Carson at 2.

[122] 47 U.S.C. § 251(c)(1). It should be noted that the use of "agreements" in 47 U.S.C. § 251(c)(1) was clearly employed to reflect the fact that an ILEC has agreements with multiple CLECs – not multiple agreements with one CLEC.

specifically addresses "Access to Rights-of-Way." Thus the Act plainly does not contemplate that rights-of-way terms will be addressed in a separate agreement.

Scattering such essential terms throughout a myriad of stand-alone agreements would also be unmanageable. Verizon has proposed to place the terms for several issues raised in this proceeding (and not simply rights-of-way) in separate agreements. For example, Verizon has requested separate documents for OS/DA trunking and the terms and conditions related to the Directory Assistance database. If Verizon prevails, WorldCom will be operating under a series of separate agreements, which all would have to be somehow read together in order to determine the full range of interconnection terms and conditions. Such an arrangement is not only logistically difficult, but it substantially increases the likelihood that there will be individual terms that are inconsistent with one another. See WorldCom Exh. 11, Direct Test. of L. Carson at 3-4.

Moreover, placing these terms in a separate agreement would be contrary to industry practice. As WorldCom's witness explained, "ILECs typically include rights-of-way terms and conditions within their interconnection agreements." See WorldCom Exh. 11, Direct Test. of L. Carson at 2-3. For example, the interconnection agreements between MCI Metro and Southwestern Bell and Brooks and Southwestern Bell in Texas, Missouri, Arkansas and Kansas all include rights of way terms. See id.

Verizon's suggestion that it would be preferable for CLECs to have separate rights of way agreements that do not terminate when the Interconnection Agreement terminates is incorrect. The Act's arbitration process allows both carriers to revisit all the terms and conditions in the Interconnection Agreement when it expires. If revision to any portion – including the rights of way terms – is appropriate, the Act indicates how

that will occur: the parties first attempt to negotiate changes and, if any such changes cannot be agreed upon, the issue is resolved through arbitration. If neither party feels the need to make any changes, then the existing terms can simply be incorporated into the next Interconnection Agreement. Including the rights-of-way terms in the interconnection agreement ensures that they are subject to this process. If these terms are not contained in the Interconnection Agreement, however, they are presumably not subject to the Section 251/252 arbitration process and it is unclear how any disputes concerning the terms would be resolved.

In addition, Verizon has failed to present persuasive evidence to support its claim that including rights-of-way terms in the interconnection agreement poses administrative problems. Although Verizon has stated that rights of way agreements are maintained by a certain group of personnel, that distribution of responsibility would not be hindered by placing these terms in an interconnection agreement because Verizon can simply provide the relevant personnel with the Interconnection Agreement (or the relevant portion). See WorldCom Exh. 27, Rebuttal Test. of L. Carson at 4. WorldCom provides the appropriate attachment from the interconnection agreement to the WorldCom personnel that handle rights-of-way issues, and there is no reason to assume that Verizon could not do the same for its personnel. See id. Further, although Verizon indicates that both parties provide important contact information when rights of way agreements are executed, placing these terms in an Interconnection Agreement would not prevent such an exchange. See id.

Finally, Verizon's proposal that these terms appear in separate agreements is an improper attempt to prevent other competitive carriers from "opting in" to those

agreements. The FCC has expressly recognized that Verizon cannot avoid its Section 252(i) obligations or the MFN commitments from its Merger Conditions[123] simply by utilizing separate agreements to effect provisions that should rightfully be included in an interconnection agreement. The Commission recently reaffirmed this proposition in the context of DA. See Directory Listing Order ¶ 36. Verizon should not be allowed to use its Merger Order commitments – which were designed to facilitate competition – as a sword that allows it to keep new entrants such as WorldCom from obtaining a complete interconnection agreement. Using the merger terms to prevent the establishment of complete interconnection agreements is contrary to, and frustrates, that purpose.

Although Verizon has suggested that it should be entitled to shield these requirements from opt-in because construction and engineering concerns require different rights-of-way agreements for each of its operating states, the standard agreements for the states that Verizon has identified (Massachusetts and Virginia) are substantially identical with respect to construction and engineering issues. See WorldCom Exh. 11, Direct Test. of L. Carson at 4-5. In addition, Verizon's pole attachment agreement for Massachusetts also encompasses the states of Vermont, New Hampshire, Maine and Rhode Island. In any event, even if there are legitimate state-to-state differences that require the use of different terms, Verizon could simply articulate that fact in the interconnection agreement. See WorldCom Exh. 27, Rebuttal Test. of L. Carson at 5.

In sum, Verizon has failed to present any persuasive reason to exclude the rights-of-way terms from the interconnection agreement, and the Commission should adopt WorldCom's proposal to include the terms in the agreement.

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[123] See BA/GTE Merger Order, Appendix D, ¶ 31.

Issue III-13(h) (Make-Ready Work)

The interconnection agreement should contain detailed provisions regarding make-ready work. Specifically, the Commission should order the inclusion of language that provides WorldCom with sufficient detail to determine what make-ready charges have been assessed, and to ensure that make-ready work is performed in a timely manner. WorldCom's proposed language accomplishes these goals, and should be adopted.

At the outset, WorldCom must receive more detail regarding make-ready work than it currently receives. The invoices that WorldCom receives from Verizon for make-ready work are not itemized, and fail to provide sufficient detail for WorldCom to determine exactly what it is paying for. See WorldCom Exh. 11, Direct Test. of L. Carson at 6; Tr. 10/12/01 at 2150 (Carson, WorldCom). For example, a review of the bill attached as Exhibit A to Ms. Carson's direct testimony – which is a bill from Verizon for make-ready work for conduit occupancy on Great Falls Road – indicates a number of deficiencies: the bill provides no geographic description of Great Falls Road; the charge descriptions listed on the bill do not make clear whether WorldCom is paying for work done on its behalf or whether there are others participating in the modifications required; and there is essentially no way to determine what the make-ready work involves. See id. Although Verizon suggests that it now makes more detailed information available to WorldCom, see Tr. 10/12/01 at 2149-2150 (Young, Verizon), the contract should memorialize that fact to ensure that WorldCom can receive such information.

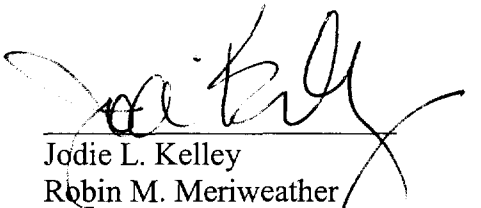
Further, make-ready work must be performed in a timely fashion. Although Verizon insists that all make-ready work for CLECs is slotted-in with work that is performed for Verizon, in practice, the delays in completing make-ready work have

caused WorldCom to miss in-service dates with its customers. See id. While WorldCom recognizes that Verizon has an obligation to protect the integrity of its infrastructure, WorldCom has proposed language for the rights-of-way section of the interconnection agreement that would allow WorldCom to work with Verizon to expedite make-ready work when Verizon is unable to complete the work in a timely fashion. See id.

Finally, the interconnection agreement's rights-of-way terms should provide that, if WorldCom locates a contractor "who meets VZ's training and safety requirements and is otherwise in good standing with VZ," and that contractor can perform the make-ready work "at a cost and/or time that is materially less than that estimated by VZ," Verizon must use that contractor to perform the work. As explained at the hearing, WorldCom would consider a 25% cost reduction to be "material," Tr. 10/12/01 at 2152-2153 (Carson, WorldCom), and would like to ensure that Verizon avoids such costs when it can. The contractor would be approved by Verizon, working for Verizon, and subject to Verizon's supervision. See id. Verizon's witness has stated that this arrangement would be agreeable to Verizon, see id. and WorldCom's proposed language should be adopted. Although Verizon continues to object to WorldCom's proposal that a similar method be used to substitute contractors who can materially reduce the time frame for a make ready project, its objections are meritless. As explained above, it is critical that make-ready work be completed in a timely fashion, and if WorldCom can locate a contractor (that is acceptable to Verizon) that can complete the project in a significantly shorter period of time, that contractor should be used. See Tr. 10/12/01 at 2154-2157 (Carson, WorldCom).

In sum, the Commission should order inclusion of WorldCom's proposed make-ready terms.

Respectfully submitted,



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